BEFORE THE DOCKET SECTION POSTAL RATE COMMISSION WASHINGTON, D.C. 20268-0001

RECEIVED FER 4 11 39 111 198 POSTAL RATE AND FEE CHANGES, 1997 Docket No. R97-1

ANSWERS OF AMERICAN BUSINESS PRESS TO INTERROGATORIES OF UNITED STATES POSTAL SERVICE TO WITNESS CAVNAR (USPS/ABP-T3-35-36)

(February 4, 1998)

The American Business Press hereby submits responses by its witness Nicholas Cavnar to interrogatories USPS/ABP-T3-35-36. Objections have been filed to USPS/ABP-T3-1-34.

Respectfully submitted,

THOMPSON COBURN 700 14th Street, N.W., Suite 900

Washington, D.C. 20005

CERTIFICATE OF SERVICE

I hereby certify that I have this date served the foregoing document in accordance with Section 12 of the Commission's Rules of Practice.

Dated: February 4, 1998

ANSWERS OF ABP WITNESS CAVNAR TO INTERROGATORIES USPS/ABP-T3-35-36

USPS/ABP-T3-35. Please refer to your testimony at page 1, lines 8 to 10, where you say that the sizes of Intertec's publications are similar to most periodicals with national distribution. Are any of Intertec's publications similar to high circulation national publications like Time and Newsweek? Please explain your answer.

<u>ANSWER</u>

USPS/ABP-T3-35. Intertec Publishing has no high-circulation publications similar to *Time* and *Newsweek*. Our largest circulation magazine is *Farm Industry News*, with 265,000 copies distributed per issue.

Smaller circulation magazines like ours are much more representative of the periodical class than the few multi-million circulation publications. *Folio:* magazine, which serves the magazine publishing industry, maintains a database of information on 9,556 magazines published in the United States. Of these, 93 percent have total circulation (including newsstand sales) of under 250,000 copies. ABP's witness Kobak in the reclassification case determined that there were only 116 magazines in the country with mailed circulation in excess of one half million.

ANSWERS OF ABP WITNESS CAVNAR TO INTERROGATORIES USPS/ABP-T3-35-36

USPS/ABP-T3-36. Please refer to your testimony at page 8, lines 14 to 16, where you state: while most magazines are standard trim, tabloids are an important part of the class, as are magazines and tabloids of all sizes that are mailed in polybags for protection or to enclose supplements.

- (a) Considering the entire circulation for Second-Class/Periodicals, has the proportion consisting of tabloids increased during the last 10 years? If more general information is not available, you can limit your response to Intertec's publications. Please state the basis for your response.
- (b) Considering the entire circulation for Second-Class/Periodicals, has the proportion mailed in polybags increased during the last 10 years? If more general information is not available, you can limit your response to Intertec's publications. Please state the basis for your response.

ANSWER

USPS/ABP-T3-36

(a) Of 9,556 magazines with detailed information compiled in the *Folio*: database, referenced above, 19 percent are tabloid size. The database does not contain historical information on whether the number of tabloids has increased or decreased over the last ten years.

Intertec, which has grown substantially over the last ten years, currently publishes seven tabloids out of seventy magazines. Our tabloids represent approximately 6.1 million copies mailed per year, or 15 percent of our total periodical mail volume of approximately 40 million magazines. This is actually a smaller percentage than in 1988, when we published three tabloids out of fifteen total magazines, and tabloids represented over 25 percent of our total second-class mail volume.

ANSWERS OF ABP WITNESS CAVNAR TO INTERROGATORIES USPS/ABP-T3-35-36

(b) Intertec has no data on industry polybag trends, although I believe that our company's usage has probably increased. The perception among our printers is that, industrywide, the number of magazines mailed in polybags has increased over the past five years, primarily because of automation compatibility.

DECLARATION

I, Nicholas Cavnar, declare under penalty of perjury that the foregoing answers are true and correct to the best of my knowledge, information and belief.

Nicholas Cavnar

Nichola, S Cavra

Date